

SEC Adopts Final Rules Extending Section 16(a) to Directors and Officers of FPIs

March 2, 2026

Background and Scope of the Amendments. On February 27, 2026, the U.S. Securities and Exchange Commission (the “SEC”) adopted final amendments to rules and regulations relating to Section 16(a) of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Forms 3, 4 and 5 to implement the Holding Foreign Insiders Accountable Act (the “HFIA Act”),¹ which was enacted on December 18, 2025. The HFIA Act amended Section 16(a) of the Exchange Act to extend insider reporting requirements to directors and officers of foreign private issuers (“FPIs”) with a class of equity securities registered under Section 12 of the Exchange Act (which includes FPIs with equity securities listed on the New York Stock Exchange or the Nasdaq Stock Market).²

In its adopting release, the SEC noted that extending Section 16(a) reporting to directors and officers of FPIs will increase transparency around trading and beneficial ownership, helping investors better assess management incentives, value issuers more accurately and make more informed capital allocation decisions.

The SEC’s final rules are generally technical in nature and make conforming changes to the existing rules and forms to reflect the HFIA Act. In particular:

- Rule 3a12-3(b) under the Exchange Act has been amended to conform to the HFIA Act: the prior exemption for FPIs from Section 16 has been removed and replaced with exemptions from Section 16(b) and Section 16(c) only;
- Rule 16a-2 under the Exchange Act has been amended to exclude 10% beneficial owners of FPIs’ equity securities from Section 16(a) reporting requirements;

¹ SEC Release No. [34-104903](#).

² We discussed these amendments in detail in our Debevoise In Depth “[Section 16\(a\) Reporting Obligations to Be Extended to Directors and Officers of Foreign Private Issuers](#)” (December 18, 2025).

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- The General Instructions to Form 3 have been amended to include directors and officers of FPIs and exclude beneficial owners who own more than 10% of an FPI's equity securities from the requirement to file the form; and
 - Forms 3, 4 and 5 have been amended to include an optional field for a foreign trading symbol, a postal code and a country code as part of the address of the reporting person.

Importantly, the HFIA Act did not extend Section 16(b)'s short-swing profit disgorgement rules or Section 16(c)'s short-sale prohibition to insiders of FPIs and did not impose reporting obligations on greater than 10% beneficial owners of FPIs. The SEC noted, however, that under the HFIA Act, insiders of FPIs must still report all transactions required by Section 16(a) on Forms 4 and 5 even if exempt from Section 16(b)'s short-swing profit disgorgement provision with respect to those transactions.

Exemptive Authority. In adopting the amendments, the SEC emphasized that the HFIA Act is intended to bring greater parity between foreign and domestic issuers in the U.S. capital markets by aligning insider reporting obligations. At the same time, the HFIA Act granted the SEC authority to exempt persons, securities or transactions from Section 16(a) reporting where foreign law imposes substantially similar requirements. While Chairman Atkins [indicated](#) that the SEC staff is evaluating whether to recommend the use of that authority, no exemptions have been granted to date. Accordingly, FPIs and their directors and officers should assume that compliance will be required as of March 18, 2026 and prepare to be ready to file with the SEC the initial Form 3 by such date, regardless of other similar reporting obligations in their jurisdictions that may already apply to them.

Next Steps. As a result of the current lack of available exemptions and the highly technical nature of Section 16(a) filings, directors and officers of FPIs (and any FPIs that will be assisting with such filings) are advised to take a number of immediate steps to ensure compliance by the applicable deadlines. Initial Form 3 filings must be filed with the SEC by 10:00 p.m. Eastern Time on March 18, 2026, with subsequent Form 4 filings generally due within two business days of reportable transactions. In preparation for the initial filing due on March 18, 2026 and subsequent filings, FPIs and their insiders should take the following steps:

- *Identify Insiders.* FPIs should identify the directors and officers subject to Section 16(a) reporting and communicate such designations to those individuals. The list of officers should be consistent with the list of officers in the FPI's compensation clawback policy. For the sake of clarity, boards of directors of FPIs may also wish to formally approve of such designations, which could be repeated on an annual basis.

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- *Obtain or Confirm EDGAR Filing Credentials.* Officers and directors of FPIs that have previously applied for EDGAR credentials should confirm that such codes are active and that they are enrolled in EDGAR Next (and if not, immediately address any missing, expired or inaccessible credentials). For any insiders who have not previously applied for EDGAR codes, Form ID applications should be submitted to the SEC as soon as possible, taking into account potential SEC processing delays and logistical considerations, including requirements around notarizations.
 - *Collect Beneficial Ownership Information for the Initial Form 3 Filing.* Once the list of insiders is confirmed, FPIs and their insiders should begin collecting and verifying the information required to prepare initial Form 3 filings. This includes insiders' direct holdings and relevant indirect interests, including through entities and trusts and, where applicable, household and family interests, as well as outstanding derivative securities reportable in Table II, such as stock options, restricted stock units and, in some cases, performance stock units.
 - *Establish Protocols for Form 4 Transaction Reporting.* FPIs should adopt internal procedures requiring insiders (and, where applicable, brokers and equity plan administrators) to provide prompt notice of reportable transactions. These procedures should include clear notification requirements and internal deadlines to enable preparation and submission of Forms 4 within two business days of a reportable transaction. In addition, where an FPI or its advisers will prepare and submit filings on behalf of insiders, insiders should consider executing powers of attorney to allow the FPI to execute the required Form 4 on behalf of such insider.
 - *Provide Training and Conduct an Overall Readiness Check.* Given the short deadlines for Forms 3 and 4 and the detailed information required to be presented in Forms 3, 4 and 5, FPIs should provide comprehensive training to their insiders on the practical requirements of Section 16(a) reporting, including around the various forms of ownership and transactions that require reporting. FPIs may also consider running a test of the intake-to-filing process to identify and remediate operational gaps ahead of the March 18, 2026 deadline.

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On February 12, 2026, Debevoise & Plimpton LLP hosted a webinar on the topic of "Foreign Private Issuers and Section 16(a): What Issuers and Insiders Need to Know." A link to the recording is at:

<https://event.on24.com/wcc/r/5228757/F627FDCC7EDC732A758014E1C52D360B>.

Given the upcoming compliance deadline, please do not hesitate to reach out to us with questions or for assistance in preparing initial Form 3 filings and establishing an effective Section 16(a) compliance process.

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Please do not hesitate to contact us with any questions.



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